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SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

Mideast

Key stories in the media:

This morning Israel Radio reported that a top US administration official expressed unhappiness to the GOI over Defense Minister Ehud Barak's move to initiate contacts with Syria. Yediot reported that secret messages were conveyed between PM Ehud Olmert and Syrian

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President Bashar Assad. Yediot reported that Olmert wanted to know whether Assad was prepared to disengage from Iran. Maj. Gen. (res.) Uri Saguy has been tasked with coordinating future dialog. Yediot quoted Olmert associates as saying that the moves were not made under his authority.

Leading media reported that on Monday PM Olmert told the Knesset's Foreign Affairs and Defense Committee that the Annapolis meeting will change Israel's strategy toward the Palestinians. Olmert said that the Roadmap will remain in place for implementing diplomatic agreements, but not as a condition for negotiations.

Leading media reported that Saeb Erekat, chief negotiator for the PLO, has rejected the GOI's demand that the Palestinians recognize Israel as a Jewish state. In an interview with Israel Radio, Erekat said that "no state in the world connects its national identity to a religious identity." At a pre-Annapolis meeting earlier on Monday, PM Olmert said that the starting point for all negotiations with the Palestinians will be the "recognition of Israel as a state for the Jewish people." "I do not intend to compromise in any way over the issue of the Jewish state," Olmert added, thereby accepting the position of FM Tzipi Livni and Defense Minister Barak.

Yediot's Shimon Shiffer quoted high-ranking Palestinian officials as saying that they have proposed establishing a tripartite committee on which the American representative would be able to decide every issue on which Israel and the PA did not agree. Yediot cited the Palestinians' claim that Olmert agreed to it in his talks with PA Chairman [President] Mahmoud Abbas, but reported that Livni opposes the idea. The Palestinian officials were quoted as saying that Livni also opposes basing negotiations on the Arab peace initiative.

On Monday Ha'aretz reported that Israel will release 300 to 400 Palestinian prisoners before the Annapolis meeting as a goodwill gesture. However, the newspaper noted that this number falls far short of the nearly 2,000 Abbas had requested from Olmert.

On Sunday Yediot reported that the US administration intends to invite representatives of Muslim countries that do not have diplomatic relations with Israel -- Saudi Arabia, Persian Gulf states, Indonesia, Pakistan and Malaysia -- to the Annapolis meeting. Yediot said that PM Olmert is scheduled to fly to Washington on Saturday night, November 24. The Annapolis conference is expected to begin on November 27 and is expected to last two days. Makor Rishon-Hatzofe quoted the London-based Al-Quds Al-Arabi as saying on Monday that high-ranking Fatah member Muhammad Dahlan will be part of the Palestinian delegation to the Annapolis meeting by personal request of President Bush.

Israel Radio reported that Hamas spokesman Sami Abu Zurhi told the Kuwaiti newspaper Al-Jarida that Hamas is prepared to discuss new proposals raised by Israel in the matter of the release of Gilad Shalit.

On Sunday Ha'aretz reported that Israel has turned down a US proposal to increase the number of Egyptian soldiers deployed along the Philadelphia Route to stem the flow of weapons from Sinai to the Gaza Strip. Ha'aretz reported that Foreign Ministry Director General Aharon Abramovitch and the head of the political-military bureau at the Defense Ministry, Amos Gilad, told senior American officials that until Egypt meets its commitments to countering smuggling along the Gaza border, "there is no room to discuss increasing the number of soldiers." Meanwhile, Egyptian and Israeli officers were supposed to begin talks in Rome on Sunday that will concentrate on the security situation along the border. Ha'aretz reported that last week Mark Kimmitt, Assistant Secretary of State for Political-Military Affairs, and Robert Danin, Deputy Assistant Secretary of State for Near Eastern Affairs, visited Israel as part of a US team set up to assist on the smuggling issue.

All media reported that on Monday Palestinian police in Gaza fired at a crowd of Fatah supporters who were marking the third anniversary of Yasser Arafat's death, killing approximately seven people.

Over the weekend all media reported that on Sunday Brig. Gen. (res.) Gal Hirsch publicly charged that the IDF's top brass hid behind their field commanders, then abandoned them and refused to take any responsibility for the army's failures in the Second Lebanon War. An internal IDF inquiry found Hirsch, who was in charge of the northern border in the summer of 2006, responsible for the abduction of two IDF soldiers and recommended that he be barred from field commands in the future.

Leading media reported that differences over Iranian nuclear program were at the heart of talks on Monday between President Shimon Peres and his Turkish counterpart Abdullah Gul. Ha'aretz reported that Turkey has requested opening a Turkish Cypriot representative office in Tel Aviv. The newspaper reported that Gul raised the issue at his meeting with Peres. Peres was quoted as saying that he would have to discuss the matter with Israel's Foreign Ministry before replying. On Monday The Jerusalem Post reported that Israel and Turkey are holding high-level talks on a possible sale of the Arrow ballistic missile defense system and a model of the Ofek spy satellite to Turkey. Israel Radio reported that Peres and Chairman signed a document in Ankara to create a joint industrial zone in Tarkumiyeh, West Bank.

All media reported that rocket firing at Israel from Gaza continued.

On Monday leading media reported that at Sunday's cabinet session several ministers sharply criticized Attorney General Menachem Mazuz's decision to block stepped-up sanctions by Israel against the Gaza Strip pending a further review of the legal ramifications of such a move.

On Sunday Makor Rishon-Hatzofe reported that Israel is weighing a request by the PA to approve the transfer of an overall sum of 105 million shekels (around USD 26.7 million) to banks in Gaza.

On Monday The Jerusalem Post reported that Likud Knesset Member Yuval Steinitz wrote in a letter to the US Senate that Egypt effectively condoned Hamas's takeover of the Gaza Strip and has since stood by and allowed Hamas to build an army. Steinitz wrote the letter at the request of Sen. Jon Kyl (R-Arizona), with whom he chairs a joint US-Israeli committee on defense and foreign policy.

Over the weekend leading media quoted a spokesman for German Finance Minister Peer Steinbrueck as saying that he will not consider reopening the reparations agreement between Israel and Germany. The German declarations referred to a statement by Pensioner Affairs Minister Rafi Eitan, who is in charge of the talks with Germany on reparations for Holocaust survivors and retrieving Jewish property. Mainstream commentators also opposed the idea of further such compensation to Israel.

On Monday Maariv reported that seven years after the IDF left the compound of Joseph's Tomb in Nablus, the governor of the city decided to accept an IDF to renovate the neglected site.

All media reported that Moshe Lador is likely to be appointed state attorney. The new state attorney will decide the fate of Olmert's files. On Sunday more than 100 police investigators raided 20 offices looking for evidence in three investigations against Olmert.

On Sunday Channel 2-TV reported that the police are expected to close the case of the sale of Bank Leumi without filing charges against Olmert. The media reported that on Saturday Accountant General Yaron Zelekha announced that he would be leaving his post within a month.

Over the weekend leading media reported that last Thursday the Rabbi of the Western Wall, Shmuel Rabinovitch, refused to let a group of Austrian bishops who were wearing crosses and who were accompanied by the Austrian Ambassador, visit the Wall.

On Monday The Jerusalem Post cited the Jewish Telegraphic Agency as saying that 13 Chabad yeshiva students -- mostly from the US and Canada -- were deported from Russia over the weekend following a visa incident that prompted a rare case of direct intervention by the State Department.

I1. Mideast:

Summary:

Columnist Amos Gilboa, former head of Research Division at IDF Intelligence, wrote in the popular, pluralist Maariv: "The Annapolis conference should be a test, a litmus paper, for the Palestinians and the Arab states: Are they willing to support a two-state vision -- a state for the Jewish people and a state for the Palestinian people -- or are they opposed to this?"

Military correspondent Amos Harel and Palestinian affairs correspondent Avi Issacharoff wrote in the independent, left-leaning Ha'aretz: "[The rally in memory of Yasser Arafat was] an important sign of the frustration in Gaza with the Hamas regime."

Diplomatic correspondent Shimon Shiffer wrote in the mass-circulation, pluralist Yediot Aharonot: "[Defense Minister Ehud] Barak and [his choice for negotiator with Syria Maj. Gen. (res.) Uri] Saguy advocate renewing negotiations with Syria and believe that already now an agreement can be reached with Assad."

Block Quotes:

II. "The Core of the Debate"

Columnist Amos Gilboa, former head of Research Division at IDF Intelligence, wrote in the popular, pluralist Maariv (11/12): "At the 2003 Aqaba summit President Bush, was the first senior US official to state explicitly and publicly that a democratic Palestinian state at full peace with Israel would advance the security and prosperity of the State of Israel as a Jewish state. The core of the problem is that the Arab states and the Palestinians (along with several Israeli Jews) are unwilling by any means to recognize the State of Israel as a Jewish state or the state of the Jewish people. The most that some of them are willing to recognize is the State of Israel's right to exist. Why? There are three reasons for this: First, an ideological-psychological reason: unwillingness to accept the existence of a Jewish state within the Muslim-Arab world. The Arab world did take a very large step forward after 1967, when it was willing to accept the fact of the State of Israel's existence (unlike beforehand), but no more than this. The second reason lies with the Palestinian refugees from I1948. Recognition of a Jewish state means ... Palestinian recognition of the 'Jewish sin' of their expulsion from their homeland. The third reason is the Israeli Arabs, or as they define themselves, 'Palestinian Arab citizens of the State of Israel'.... About 300,000-400,000 of them define themselves as refugees (who live in Israel, but were forced to leave their homes in 1948). Their leaderships declare openly that they do not recognize the State of Israel as a Jewish state, plain and simple. In their opinion, Israel is a binational state at most. The Annapolis conference should be a test, a litmus paper, for the Palestinians and the Arab states: Are they willing to support a two-state vision -- a state for the Jewish people and a state for the Palestinian people -- or are they opposed to this? This is the elementary basis for any structure of peace, for any future discussion of any core. At the same time, it is also a supreme test for our prime minister: Is he sincere, can his words be trusted. In other words, will he at least insist on having such a call issue from Annapolis?"

II. "Cracks in the Armor"

Military correspondent Amos Harel and Palestinian affairs correspondent Avi Issacharoff wrote in the independent, left-leaning Ha'aretz (11/13): "Opposition to Hamas in the Strip, and concomitantly renewed support for Fatah, are on the rise, and the recent violence is expected to reduce Hamas's status further on the Palestinian street, as people in Gaza see Hamas using its terror tactics against its own people.... Al Jazeera, not known for its support of Fatah, estimated that about 200,000 demonstrators were present [at Monday's rally in Arafat's memory]. This is an important sign of the frustration in Gaza with the Hamas regime,

which is unable to ameliorate the distress in the Strip, worsened by the sanctions Israel and the international community has imposed.... The hard line of the military wing has prevented any easing of the sanctions on Gaza, and has apparently disrupted attempts at a deal to release kidnapped Israeli soldier Gilad Shalit. It may also increase the chance of large-scale Israeli military operation in the Strip following the Annapolis summit. Israel believes Fatah is still far from reasserting itself vis-a-vis Hamas in the Gaza Strip.

Senior PA officials have warned Israel against moves toward a unilateral withdrawal from the West Bank. Such a withdrawal, they say will lead to more West Bank cities falling to Hamas, whose people are more inspired and organized than Fatah."

III. "The Defense Minister's Private Peace Initiative"

Diplomatic correspondent Shimon Shiffer wrote in the mass-circulation, pluralist Yediot Aharonot (11/13): "[Defense Minister Ehud] Barak and [his choice for negotiator with Syria Maj. Gen. (res.) Uri] Saguy advocate renewing negotiations with Syria and believe that already now an agreement can be reached with Assad. They think that the Syrian track should be promoted also because they ... believe that there is no chance of reaching a viable peace agreement with the PA.... Barak thinks that all of Olmert's and Foreign Minister Livni's attempts to promote the peace process with the Palestinians are pointless and a waste of time. Barak did not choose Uri Saguy by chance. The former IDF Intelligence director is familiar with all facets of the Syrian topic.... Saguy believes that a peace agreement must primarily address the security arrangements and normalization can be postponed to a later date. In his study, the former director of IDF Intelligence agrees with the Syrian claim that demilitarization arrangements and thinning of forces should also be done in the Galilee, but not to the same extent as the demilitarization on the Syrian side of the border. He believes that most of the residents would agree to a significant withdrawal from the Golan. In return for withdrawal, Syria might concede its demand that Israel disarm give up its nuclear weapons."

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